



The *Business Alliance...Update* is a bi-monthly publication of the El Dorado Business Alliance (BA). The BA is made up of the following organizations: El Dorado Builders' Exchange, El Dorado County Association of Realtors (EDCAR), El Dorado County Chamber of Commerce, North State Building Industry Association (NSBIA) and Shingle Springs-Cameron Park Chamber of Commerce. Web Address for Subscription Info: [KathyeRussell@gmail.com](mailto:KathyeRussell@gmail.com)

## *“Developing Mutual Support on Community-Wide Issues”*

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I've been thinking a lot about the circulating and current ballot initiatives for community support via signature gathering. I think I've figured out what is most disturbing about them. These activists are pushing the **voter initiatives by presenting misleading facts and setting up false choices for voters to make**. For example: Some initiative proponents know (via polling the public - one is a professional pollster) that “anti-growth” isn't a good selling point. Generally the public sees themselves as more reasonable and purports to support “well planned” growth. “Well planned” is one of those vague concepts that is in the eyes of the beholder, so it's very subjective. The activists' message is: “*We need more jobs - not more housing*”, thus setting up a false choice to appear to be more rational and relatable. It's a relatively easy sell since the Land Use Policy Programmatic Update (LUPPU) process has been educating residents on the fact that during the first 10 years of this General Plan, El Dorado County (EDC) has failed miserably in creating new jobs, as originally projected in the General Plan (GP). In reality the entire country has had a lack of job growth since the recession hit hard in 2008 and continues today. But the question remains: Why is this area lacking in adequate job growth?

Several years ago, when the Regulatory Reform group began meeting, they recognized that those in attendance didn't have all the answers. They reviewed statistics compiled since this GP took effect examining where the county had succeeded and failed. Then Reg Reformers invited experts from a variety of fields to educate them on various economic development issues. One such expert was involved in finding locations for firms moving to the Sacramento Region, as well as start-up businesses. This gentleman made it clear that all the jurisdictions within this region (e.g.: counties and cities) were competing *against each other* to bring the next Intel or university to their area. Knowing this means lots of good salaries and economic growth, these entities would also bring new ancillary jobs and services to accommodate employees' needs.

The first thing that employers consider when relocating is housing availability and costs. More specifically, housing availability is key for a variety of income levels. EDC has provided plenty of housing for high-income earners, but little for moderate, low-and below-low income earners. Low-income housing is only attractive to construct because “affordable housing” is subsidized, and a percentage of it is required in each jurisdiction by the State. **EDC has basically provided no new moderate-income housing in the past 10 years:** This is a major reason why EDC is eliminated by so many firms considering a move here. A moderate income household is a family of 4 earning \$91,300 per year. Only about 10% of all EDC residents earn more than this.

Creators of the new voter initiatives are not, however, as supportive of commercial/retail/industrial (job) growth as they want to appear. One activist from Shingle Springs who is also a supervisorial candidate, opposes all residential growth there, and has been very vocal in opposing a small mixed-use project (a boutique hotel) that would be located at an intersection right on Highway 50!

As far as bringing jobs to this area, what would the candidates (there are several)/activists actually do? There is nothing stopping folks from doing what they say they want to do right now. We don't need an initiative to bring jobs to EDC – we need people that know how to stimulate employers and attract those providing and creating jobs, which is where experts come into play. In fact, the changes proposed by Reg Reform during the LUPPU process, looked closely at the rural areas' needs and identified solutions where obstacles now exist. The goal was to eliminate road-blocks, such as limited industrial zoning, constrained home occupation employers and excessive regulatory burdens (all General Plan policies) on those working in our rural and recreational areas, to allow for success and growth for those residents too. Suffice to say stopping growth wasn't at the top of any experts' list.

I recall a Board of Supervisors (BOS) hearing where a doctor from Marshall Hospital responded to Bill Center's threats to shut down residential growth with a new initiative (Center was a creator of the original and revised Measure Y, and a new traffic/anti-growth initiative). This doctor stated that Marshall's business plan was based on EDC growth projections. He indicated that banning new residential growth locally would destroy the hospital. Marshall has invested a lot in EDC and is one of the few independent hospitals still in operation (no pun intended), but even they, like schools, contractors and small retail stores on Main Street, need residential growth to prosper.

The bottom line is that there is nothing keeping politicians and activists from creating jobs if they really have the knowledge and desire. So don't be afraid to ask for specifics: Don't accept vague promises and unsubstantiated spin about what a proposed initiative will do: Think critically and demand specific answers.

## **TRAFFIC INITIATIVES: REALITY VS HYPE**

The voter initiatives dealing with traffic issues/Measure Y require a close review of facts and intent. As to intent it's relatively simple: The original Measure Y was *intended* to shut down residential growth in EDC, though it was sold to the public as a cure for traffic congestion (ironically it could have worked: no new people = no business growth; no business growth = lack of services. Lacking services forces more trips to meet needs on local roads; no road improvements = those here move away as services deteriorate or disappear. The result = no people = no traffic). But Measure Y provided a funding source in the form of high local traffic impact fees, a traffic congestion solution that forced new development to fund necessary improvements to our Level of Service (LOS). Developers paid the fee as passed by voters and subsequently included in the General Plan (GP). Measure Y forced improvements primarily on Highway 50. Fast forward ten years: **Over half a billion dollars has been invested in Highway 50, for the most part financed by new development**, and most of it in El Dorado Hills, which keeps county traffic flowing relatively smoothly all day long. **According to Caltrans, the only actual issue on Highway 50 is an approximate 1/4 mile strip whereby "congestion" lasts about 45 minutes during commute time, therefore folks are forced to slow down to about 45 miles per hour.** The solution to this congestion is now under construction and again, per Caltrans, it will fix the problem. But with this success the original intent of Measure Y creators (to stop residential growth) has now returned in new, more onerous, traffic initiatives.

Now, the facts: Per voter-approved Measure Y EDC is required to plan for 20 years of road improvements. History shows EDC has been growing at a very slow pace of 1.03% annually (averaged). The BOS recently opted to continue growth plans at that 1.03% rate. One false statement being made by Measure Y/new traffic initiative proponents is that EDC is "...*planning for, or building, 33,000 more homes...*" This is a false statement that even other activists have admitted. **In fact, EDC is actually planning for approximately 17,500 new homes in the next 20 years**, at the 1.03% slow growth rate. EDC is adhering to State Law that mandates local planning to accommodate that future growth, wherever it goes, however long it takes. Planning for infrastructure needs in the correct places is the goal. To really keep the county rural, voters previously chose to plan for more clustered-style of development, primarily along Highway 50 and/or where infrastructure currently exists (in Community Regions), instead of using up rural and agricultural lands. That is why agriculture has been such a strong supporter of this General Plan.

**Of those projected 17,500 new homes, 75% to 80% of its locations are already known, based on existing entitlements in already-approved Specific Plans, such as Serrano, Carson Creek and Blackstone. Others are State-Mandated Affordable Housing projects, identified for El Dorado Hills, Cameron Park and Diamond Springs (in Community Regions) where there exists the appropriately designated multi-family lands, as well as infrastructure access. The initiatives will not change this fact.** Not much of this growth, if any, is in the rural parts of Supervisorial District 4, where one traffic activist/supervisorial candidate lives, and uses exaggerated phony growth claims to gain support for traffic initiatives and garner votes for himself.

Thus we come full circle back to intent: Several initiative leaders live in the Community Regions designated for growth and/or along Highway 50, and they don't appear to care about good planning or the rest of the County: They just don't want the growth to occur where they live. (Even Center was a supporter of Community Regions until he wasn't.) The real question for the activists should be: "*Where do you propose new growth to go?*" Undoubtedly the answer is "*to other neighborhoods*", though no one "wants" the new growth, much is mandated by State law. Voters should have answers before supporting initiatives that change where projected growth is planned to go, and more unintended (or intended?) consequences occur.

Traffic Planning Facts: Traffic Impact Mitigation (TIM) fees have been controversial since voters passed Measure Y initially. The basic TIM Fee formula is: Fee = total infrastructure costs, (includes assistance to transit and current obligations) divided by projected dwelling units (homes). If the number of homes goes down, it does not necessarily mean the TIM fee will drop, unless infrastructure needs change significantly. For example, EDC can't build half a lane. To add capacity to local roads, typically they go from 2 to 4 lanes, not to 3. And morning commute traffic flows one way in the morning, and in the opposite direction in the afternoon. Back to intent: If adopted (initiative) language requires improvements impossible to fulfill, a development project cannot be approved.

Level of Service (LOS) that's acceptable in EDC is based on Measure Y and the General Plan. One traffic initiative forces LOS calculation on Caltrans, instead of EDC's Department of Transportation (DOT) as it is now. Caltrans uses 2400 cars/lanes/per hour, but doesn't count auxiliary or truck-climbing lanes. And, Caltrans uses only part of HOV lanes. Additionally Caltrans doesn't use PEMS data that looks at actual traffic, but has a formula that uses only a *percentage* of projected future use. EDC uses some assumptions from Caltrans planning department, but tempers those numbers by acknowledging some decrease in local traffic on Highway 50 related to auxiliary lanes, truck-climbing lanes and HOV lanes. In EDC DOT considers parallel capacity roads (such as Durock and Green Valley) in their calculations, which alleviates some traffic on Highway 50: Caltrans does not.

As to activists/proponents intent, it's anyone's best guess: Initiative proponents may prefer the *higher* Caltrans traffic figures (used for planning overviews of statewide traffic networks) over locally, adjusted figures that provide *actual*, but lower and more specific traffic numbers. Like electing our representatives, we are entitled to know what drives people in taking the positions they advocate for: Do those values and positions represent our goals too, or are they tempered by personal agendas that override fact and concern for the community as a whole?